

Message Text

PAGE 01 TAIPEI 04794 01 OF 02 290919Z

21

ACTION EA-10

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-02

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00

FRB-01 INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 LAB-04

SIL-01 DODE-00 AGR-10 FEA-01 OES-05 INT-05 FPC-01

/113 W

----- 109369

R 290735Z JUL 75

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC 6383

INFO AMCONSUL HONG KONG

AMEMBASSY SEOUL

UNCLAS SECTION 1 OF 2 TAIPEI 4794

E.O. 11652: N/A

TAGS: ECON, TW

SUBJ: KEY ROC ECONOMIC INDICATORS FOR JUNE 1975

REF.: A) STATE 270550, AND B) TAIPEI 3920

1. BELOW ARE KEY ROC ECONOMIC INDICATORS FOR JUNE, 1975.
FOR EACH ITEM CURRENT MONTH FIGURE IS GIVEN FIRST (A), THEN,
AS APPROPRIATE, PREVIOUS MONTH (B), CURRENT MONTH PREVIOUS
YEAR (C), PERCENT CHANGE CURRENT OVER PREVIOUS MONTH (D),
PERCENT CHANGE CURRENT MONTH OVER SAME MONTH PREVIOUS
YEAR (E), CUMULATIVE FIGURE CURRENT YEAR (F), CUMULATIVE
FIGURE PREVIOUS YEAR (G), AND PERCENT CHANGE CUMULATIVE
CURRENT YEAR OVER PREVIOUS YEAR (H), FIGURES REVISED
SINCE PREVIOUS REPORT UNDERLINED. ALL VALUES IN US
DOLLARS AND ROUNDED.

MONEY SUPPLY: (A) \$2,648 MILLION, (B) \$2,443 MILLION,
(C) \$2,142 MILLION, (D) 8.42 PERCENT, (E) 23.66 PERCENT.

UNCLASSIFIED

PAGE 02 TAIPEI 04794 01 OF 02 290919Z

NET FOREIGN ASSETS OF BANKING SYSTEM: (A) \$1,948 MILLION,
(B) \$1,932 MILLION, (C) \$1,623 MILLION, (D) 0.84 PERCENT,
(E) 20.02 PERCENT.

IMPORTS ON CUSTOMS BASIS: (A) \$456.5 MILLION, (B) \$408.4 MILLION, (C) \$693.2 MILLION, (D) 11.78 PERCENT, (E) -34.15 PERCENT, (F) \$2,707.3 MILLION, (G) \$3,371.4 MILLION, (H) -19.70 PERCENT.

EXPORTS ON CUSTOMS BASIS: (A) \$453.3 MILLION, (B) \$426.5 MILLION, (C) \$509.6 MILLION, (D) 6.28 PERCENT, (E) -11.05 PERCENT, (F) \$2,440.8 MILLION, (G) \$2,859.6 MILLION, (H) -14.65 PERCENT.

TRADE BALANCE: (A) -\$3.2 MILLION, (B) \$18.1 MILLION, (C) -\$183.6 MILLION, (F) -\$266.5 MILLION, (G) -511.8 MILLION.

IMPORTS ON FOREIGN EXCHANGE SETTLEMENT BASIS: (A) \$480.6 MILLION, (B) \$449.1 MILLION, (C) \$509.1 MILLION, (D) 7.01 PERCENT, (E) -5.50 PERCENT, (F) \$2,429.0 MILLION, (G) \$3,578.9 MILLION, (H) -32.13 PERCENT.

EXPORTS ON FOREIGN EXCHANGE SETTLEMENT BASIS: (A) \$461.5 MILLION, (B) \$493.4 MILLION, (C) \$493.1 MILLION, (D) -6.47 PERCENT, (E) -6.41 PERCENT, (F) \$2,685.0 MILLION, (G) \$2,886.5 MILLION, (H) -6.98 PERCENT.

TRADE BALANCE ON FOREIGN EXCHANGE SETTLEMENT BASIS: (A) -\$19.1 MILLION, (B) \$44.3 MILLION, (C) -\$16.0 MILLION, (F) \$256 MILLION, (G) -\$692.4 MILLION.

IMPORTS FROM US (CUSTOMS): (F) \$802.9 MILLION, (G) \$845.5 MILLION, (H) -5.0 PERCENT.

EXPORTS TO US (CUSTOMS): (F) \$774.9 MILLION, (G) \$1,011.4 MILLION, (H) -23.4 PERCENT.

TRADE BALANCE (WITH US): (F) -\$28.0 MILLION, (G) \$165.9 MILLION.

INDUSTRIAL PRODUCTION INDEX (1971 - - 100): (A) 156.4, UNCLASSIFIED

PAGE 03 TAIPEI 04794 01 OF 02 290919Z

(B) 151.1, (C) 145.3, (D) 3.51 PERCENT, (E) 7.64 PERCENT, (F) 139.5, (G) 149.1, (H) -6.44 PERCENT.

WHOLESALE PRICE INDEX (1971 - - 100): (A) 171.82, (B) 170.30, (C) 180.83, (D) 0.89 PERCENT, (E) -4.98 PERCENT, (F) 170.59, (G) 185.04, (H) -7.81 PERCENT.

URBAN CONSUMER PRICE INDEX (1971 -- 100): (A) 174.34, (B) 170.51, (C) 161.69, (D) 2.25 PERCENT, (E) 7.82 PERCENT, (F) 170.96, (G) 159.24, (H) 7.36 PERCENT.

FOREIGN INVESTMENT APPROVAL VALUE: (A) \$9,877,000, (B) \$4,826,000, (C) \$20,201,000, (D) 104.66 PERCENT, (E) -55.11

PERCENT, (F) \$42,256,000, (G) \$94,610,000, (H) -55.34 PERCENT.

US INVESTMENT APPROVALS: (F) \$12,105,000, (G) \$15,511,000,
(H) -21.96 PERCENT; DATA LIMITED TO INVESTMENTS BY US NATIONALS
AND FIRMS INCORPORATED IN THE US AND EXCLUDING INVESTMENTS
BY US CONTROLLED FIRMS INCORPORATED IN THIRD COUNTRIES.

UNCLASSIFIED

PAGE 01 TAIPEI 04794 02 OF 02 290945Z

20

ACTION EA-10

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-02

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00

FRB-01 INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 LAB-04

SIL-01 DODE-00 AGR-10 FEA-01 OES-05 INT-05 FPC-01

/113 W

----- 109538

R 290735Z JUL 75

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC 6384

INFO AMCONSUL HONG KONG

AMEMBASSY SEOUL

UNCLAS SECTION 2 OF 2 TAIPEI 4794

2. KEY PRODUCTION FIGURES FOR JUNE, 1975:

POWER GENERATION (MILLION KILO WATT): (A) 1,930.1, (B)
1,894.3, (C) 1,768.6, (D) 1.89 PERCENT, (E) 9.13 PERCENT,
(F) 10,379.6, (G) 9,872.8, (H) 5.13 PERCENT.

YARN (1,000 BALES): (A) 126.6, (B) 125.1, (C) 115.9, (D)
1.20 PERCENT, (E) 9.23 PERCENT, (F) 652.6, (G) 662.8, (H) -1.54
PERCENT.

MAN-MADE FIBER (METRIC TON): (A) 35,135, (B) 32,776,
(C) 24,325, (D) 7.20 PERCENT, (E) 44.44 PERCENT, (F)
163,964, (G) 135,338, (H) 21.15 PERCENT.

PLASTIC POWDER (METRIC TON): (A) 13,017, (B) 9,005, (C),
12.093, (D) 44.55 PERCENT, (E) 7.64 PERCENT, (F) 58,589, (G)
75,669, (H) -22.47 PERCENT.

FERTILIZER (1,000 M/T): (A) 91.7, (B) 111.0, (C) 105.7,
(D) -17.39 PERCENT, (E) -13.25 PERCENT, (F) 614.9, (G)
UNCLASSIFIED

PAGE 02 TAIPEI 04794 02 OF 02 290945Z

557.2, (H)10.36 PERCENT.

OIL REFINING: (1,000 KILO LITER): (A) 759.5, (B) 739.5, (C) 714.6, (D) 2.70 PERCENT, (E) 6.28 PERCENT, (F) 4,265.4, (G) 4,788.6, (H) -10.93 PERCENT.

CEMENT (1,000 M/T): (A) 543.1, (B) 553.6, (C) 490.8, (D) -1.90 PERCENT, (E) 10.66 PERCENT, (F) 3,262.3, (G) 3,022.5, (H) 7.93 PERCENT.

STEEL MILL PRODUCTS (1,000 M/T): (A) 76.0, (B) 76.3, (C) 82.9, (D) -0.39 PERCENT, (E) -8.32 PERCENT, (F) 432.8, (G) 553.0, (H) -21.74 PERCENT.

TELEVISION (1,000 PIECES): (A) 278.0, (B) 264.2, (C) 411.9, (D) 5.22 PERCENT, (E) -32.51 PERCENT, (F) 1,401.1, (G) 2,052.7, (H) -31.74 PERCENT.

AUTOMOBILE TIRES (1,000 PIECES): (A) 59.0, (B) 55.0, (C) 65.0, (D) 7.27 PERCENT, (E) -9.23 PERCENT, (F) 327.0, (G) 443.0 PERCENT, (H) -26.19 PERCENT.

COAL (1,000 M/T): (A) 270.0, (B) 268.7, (C) 242.8, (D) 0.48 PERCENT, (E) 11.20 PERCENT, (F) 1,525.4, (G) 1,447.1, (H) 5.41 PERCENT.

3. COMMENTARY: PREVIOUSLY REPORTED STRONG MONETARY EXPANSION IN APRIL AND MAY INTENSIFIED IN JUNE TO REGISTER 8.4 PERCENT INCREASE IN MONEY SUPPLY OVER MAY OR 23.7 PERCENT OVER JUNE 1974. OF NT\$2.8 BILLION INCREASE IN JUNE, NUMBER ONE EXPANSIONARY FACTOR WAS \$4.7 BILLION INCREASE IN LOANS TO PRIVATE AND PUBLIC ENTERPRISES (NET OF INCREASE IN QUASI-MONEY). LARGE LOANS TO PUBLIC ENTERPRISES RELATED TO MAJOR DEVELOPMENTAL PROJECTS, AND TO PRIVATE SECTOR, RELATED MORE TO "RESCUE" ACTIONS. WORKING CAPITAL DRAIN SUFFERED BY MOST PRIVATE INDUSTRIAL FIRMS RESULTED FROM ILL-CONCEIVED EXPANSION IN BOOMING 1973 AND LOSING OPERATION IN RECESSION 1974 WHICH THREATENED INSOLVENCY IN EARLY 1975. SUBSEQUENT GOVERNMENT MEASURES TO SUPPORT EXPORT SECTOR INCLUDED ROLL-OVER OF LOANS, ADDITIONAL LOANS AT REDUCED INTEREST UNCLASSIFIED

PAGE 03 TAIPEI 04794 02 OF 02 290945Z

AND EARLY PURCHASING OF SUPPLIES BY GOVERNMENT AGENCIES. THESE GENEROUS ACROSS THE BOARD MEASURES WERE SOMEWHAT INFLATIONARY IN THAT THEY MADE POSSIBLE SURVIVAL OF UN-ECONOMIC AND INEFFICIENT ENTITIES WHICH, IN LONG RUN, DETER ECONOMIC DEVELOPMENT.

BOTH WHOLESALE AND CONSUMER PRICES UP MARKEDLY IN JUNE WHICH, SO FAR, WERE LESS RELATED TO EXCESSIVE MONEY AND MORE TO EXCESSIVE RAIN IN LAST MONTH. ACUTE SHORT SUPPLY OF VEGETABLES DUE TO HEAVY RAIN PUSHED UP PRICES BY 43.9 PERCENT IN THAT CATEGORY IN WHOLESALE PRICE INDEX AND 34.3 PERCENT IN THAT CATEGORY IN CONSUMER PRICE INDEX, THEREBY RESULTING IN MARKED INCREASE OF 0.9 PERCENT AND 2.2 PERCENT RESPECTIVELY IN JUNE INDICES OVER MAY. WHEN VEGETABLE PRICES BEGAN TO DECLINE IN JULY, CONSUMER PRICE INDEX FOR FIRST THREE WEEKS WENT DOWN BY 0.1 PERCENT, 0.2 PERCENT, AND 0.6 PERCENT, RESPECTIVELY. PART OF MONEY OVER-SUPPLY PROBABLY BEING HELD IN THE VOLATILE STOCK EXCHANGE MARKET IN WHICH TOTAL TRANSACTION VALUE WENT UP TO NT\$17.7 BILLION IN JUNE 1975 FROM NT\$4.6 BILLION IN JUNE 1974.

INDUSTRIAL PRODUCTION INDEX IN FIRST HALF 1975 UP BY 3.3 PERCENT FROM IMMEDIATE PRECEDING HALF YEAR (SECOND HALF 1974), ALTHOUGH IT WAS STILL 6.4 PERCENT BELOW THAT FOR FIRST HALF 1974. HOWEVER, STEADY GROWTH OF THIS INDEX SINCE LOW POINT IN FEBRUARY AND RETURN TO PRE-RECESSION LEVELS (156.4 INDEX FOR JUNE WAS HIGHEST LEVEL SINCE DECEMBER, 1973) SEEMS TO ESTABLISH BEYOND DOUBT THAT ROC ECONOMY HAS PASSED BATTOM AND IS IN RECOVERY STAGE, ALTHOUGH AT MODEST RATE. ADDITIONAL INDICATIONS ARE (A) POWER USED BY INDUSTRY SHOWED 9.4 PERCENT INCREASE IN JUNE (NOT REPORTED ABOVE), AND (B) INCREASE ON MONTHLY BASIS IN PRODUCTION OF 7 COMMODITIES VERSUS DECREASE IN 3 COMMODITIES AS INDICATED ABOVE.

UNGER

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 29 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975TAIPEI04794
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750261-0055
From: TAIPEI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197507103/baaaadwb.tel
Line Count: 248
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: hartledg
Review Comment: n/a
Review Content Flags:
Review Date: 13 JAN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 JAN 2003 by ThomasVJ>; APPROVED <02 FEB 2004 by hartledg>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: ECON, TW
To: STATE INFO HONG KONG
SEOUL
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006